



# 4th Quarter FY2020 Results

25 February 2021

## Disclaimer

This presentation may contain forward-looking statements which are based on Media Prima Berhad's ("MPB") current expectations, forecasts and assumptions based on management's good faith expectations and belief concerning future developments. In some cases forward-looking statements may be identified by forward-looking words like "would", "intend", "hope", "will", "may", "should", "expect", "anticipate", "believe", "estimate", "predict", "continue", or similar words.

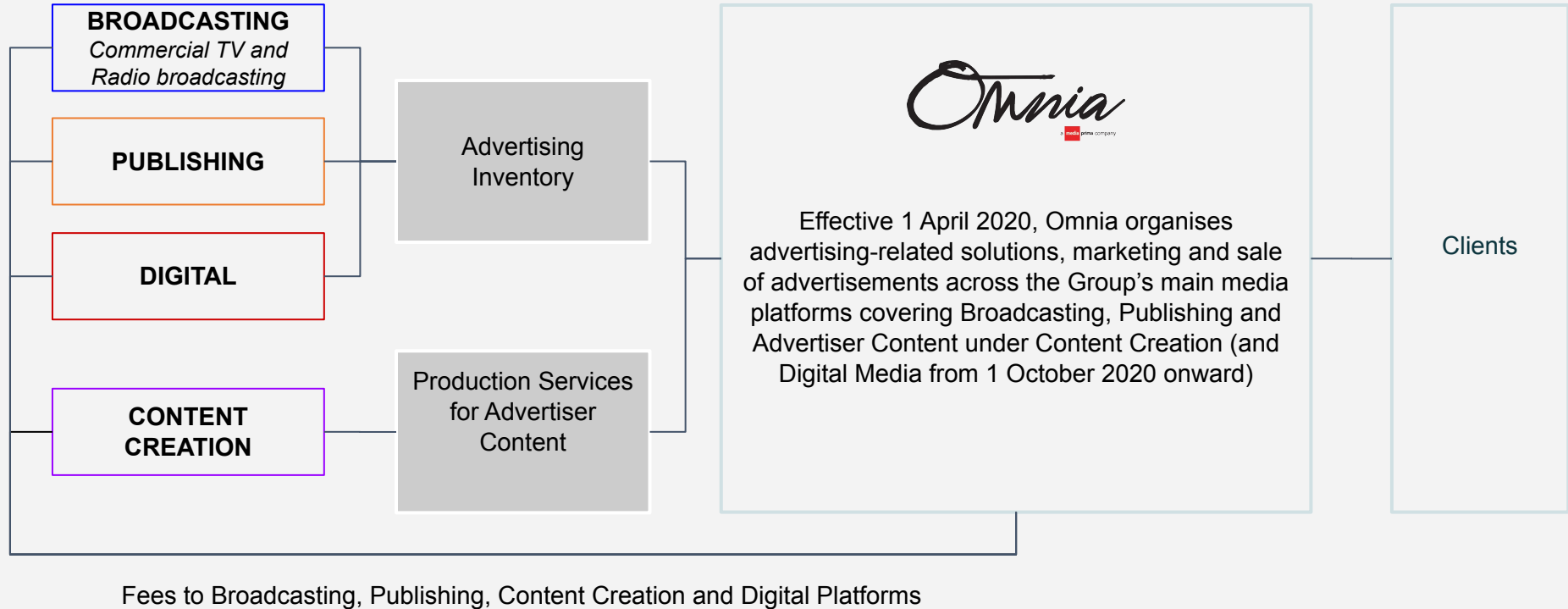
Forward-looking statements involve risks and uncertainties which could cause actual outcomes and results to differ materially from MPB's expectations, forecasts and assumptions.

We caution that these forward-looking statements are not statements of historical facts and are subject to risks and uncertainties not in the control of MPB, including, without limitation, economic, competitive, governmental, regulatory, technological and other factors that may affect MPB's operations.

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# Consolidated all advertising functions for the Broadcasting, Publishing, Content Creation and Digital Media business segments under a new company — Media Prima Omnia



## Generated new revenue & optimised available capacity via Print Towers



We have more than six clients — The Malaysian Reserve, Utusan Malaysia, Kosmo!, SelangorKini, Selangor Journal, and Buletin Mutiara — in addition to our in-house titles.

Publications	Publication Frequency
	7 days/week (Mon-Sun)
	
	
	5 days/week (Mon-Fri)
	Every Thursday
	Once a month
	Twice a month
	7 days/week
	

Printing for NSTP/ In-House Requirements

External commercial printing

- Launched operations on 1 January 2020
- A standalone commercial printing company formed out of NSTP's Production and Distribution unit as a new wholly owned subsidiary of NSTP
- Printing business from The Malaysian Reserve, Selangor Kini, Selangor Journal, Buletin Mutiara, Utusan Malaysia and Kosmo!



## We streamlined operations, aligning the business with latest operational demands

	No. of employees
As at 31 December 2019	3,689
As at 31 December 2020	2,332

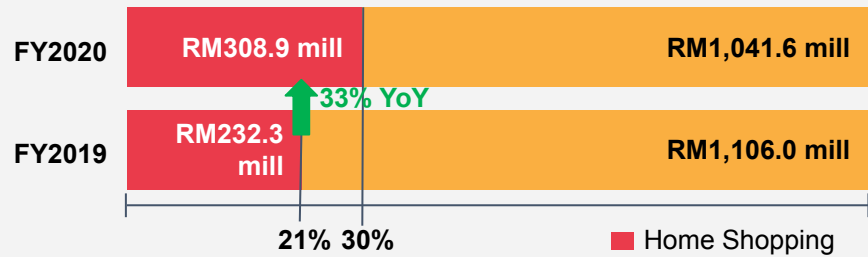
- Conducted group-wide manpower rationalisation in 2 phases in 2020.
- Restructuring internally to enable the Group to be future-proofed and sustainable given the disruptive changes in the global and local media industry.
- Provide operational efficiency for Media Prima to move forward.



Strong yearly performance led us to fully acquire home shopping business and rebrand it as **WOWSHOP**



Contributed 30% to the Group's FY20 revenue, an increase from a 21% revenue contribution in the previous year.



HIDUP MESTI ADA WOW! - New, fresher and bolder WOW to every Malaysian home.



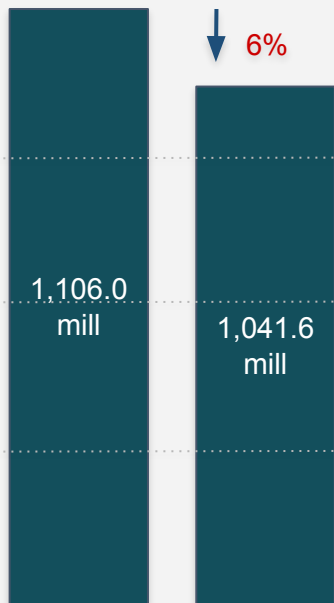
FY20 net profit of RM10.2 million on the back of a 33% increase in revenue against the previous year.



**media prima**

# Key performance highlights - 2020 LAT narrowed by 90%

## Revenue



- **Revenue for FY20 declined by 6%** against FY2019 mainly due to lower Adex as the economy in general was affected by the Covid-19 pandemic and the various movement control orders enforced by the Government from March 2020 to curb the spread of Covid-19.
- Group **narrowed its LAT by 90%** from RM185.5 million in FY19 to RM18.1 million in FY20.
- Without the termination benefits charge of RM13.7 million,
  - the **adjusted EBITDA for FY 2020 would be RM128.9 million**
  - the **adjusted LAT for FY 2020 would be RM4.4 million.**

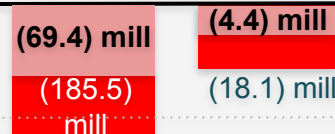
## EBITDA

Improved by 68%



## Loss after Tax

Narrowed by 94%



Adjusted for EI

Adjusted for EI

FY  
2019

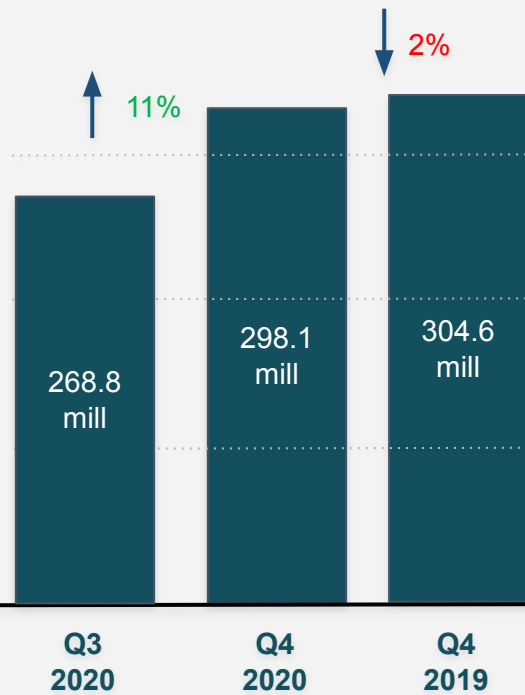
FY  
2020

FY  
2019

FY  
2020

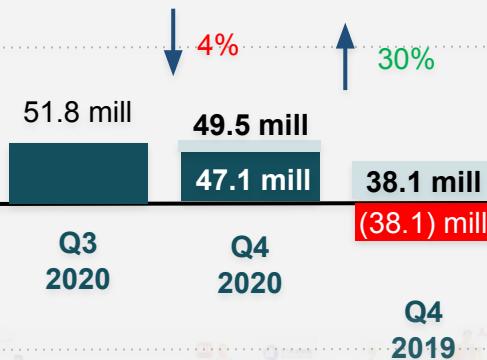
# Key performance highlights - PAT of RM18.1 million in 4Q 2020

## Revenue

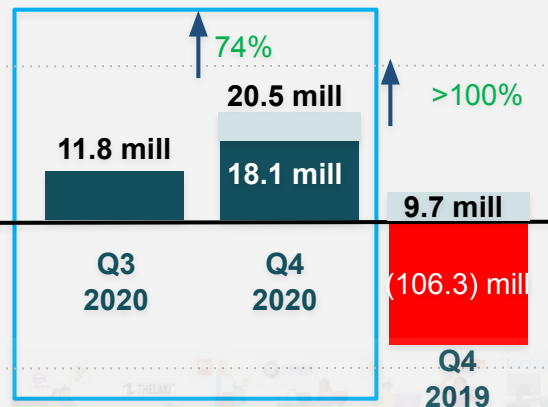


- Group's Q4FY20 **revenue decreased by 2% against Q4FY19.**
- Group posted a **4QFY20 PAT of RM18.1 million** compared to a LAT of RM106.3 million in 4Q FY19.
- Group achieved a normalised **PAT of RM20.5 million in 4Q FY20** compared to a normalised net profit of RM9.7 million in 4Q FY19.
- Improvement in normalised net profit** was attributed to **lower operating expenses** achieved through **cost optimisation initiatives.**
- Q3 2020 and Q4 2020 in **profit territory.**

## EBITDA



## Profit after Tax



Adjusted for EI

# Significant growth in commerce revenue in 2020

Adex and Circulation impacted by the weak economic sentiment brought upon by COVID-19  
Commerce continues upward trajectory with higher broadcast viewership

Net Revenue (before Royalties)	Traditional			Digital			Home Shopping			Total		
	FY 2020	FY 2019	Change	FY 2020	FY 2019	Change	FY 2020	FY 2019	Change	FY 2020	FY 2019	Change
	RM'000		%	RM'000		%	RM'000		%	RM'000		%
Advertising	563,359	679,473	(17)	79,516	82,919	(4)	-	-	-	642,875	762,392	(16)
Circulation	47,186	63,669	(26)	-	-	-	-	-	-	47,186	63,669	(26)
Commerce	21,468	33,291	(36)	2,385	5,000	(52)	308,865	232,292	33	332,718	270,583	23
Content	15,469	5,880	>100	-	-	-	-	-	-	15,469	5,880	>100
Property and others	3,317	3,515	(6)	-	-	-	-	-	-	3,317	3,515	(6)
Total	650,799	785,828	(17)	81,901	87,919	(7)	308,865	232,292	33	1,041,565	1,106,039	(6)



# Revenue and profit by segment - FY2020

	Omnia	Broadcasting	OOH	Publishing	Digital Media	Content Creation	Home Shopping	Corporate	Elimination	Total
<b>Net Revenue</b>										
<b>FY 2020</b>	388,032	348,240	113,190	149,601	90,121	65,346	308,865	59,074	(480,904)	1,041,565
<b>FY 2019</b>	-	438,520	154,940	217,598	74,408	90,362	232,292	105,641	(207,722)	1,106,039
<b>Change (%)</b>		(21)	(27)	(31)	21	(28)	33	(44)	(>100)	(6)
<b>PAT / (LAT)</b>										
<b>FY 2020</b>	(12,099)	36,016	(5,171)	(26,678)	10,846	(6,151)	10,219	(49,634)	24,566	(18,086)
<b>FY 2019</b>	-	(28,052)	7,124	(112,995)	1,686	6,888	(10,644)	(230,871)	181,376	(185,488)
<b>Change (%)</b>		>100	(>100)	76	>100	(>100)	>100	79	(86)	90

## Notes:

- Broadcasting, Publishing, Content Creation and Digital Media revenue consists of intersegment revenue from advertising inventory sold by Omnia.
- Transfer of digital assets from Broadcasting (specifically TVN) and Publishing to Digital Media was effective 1 January 2020.

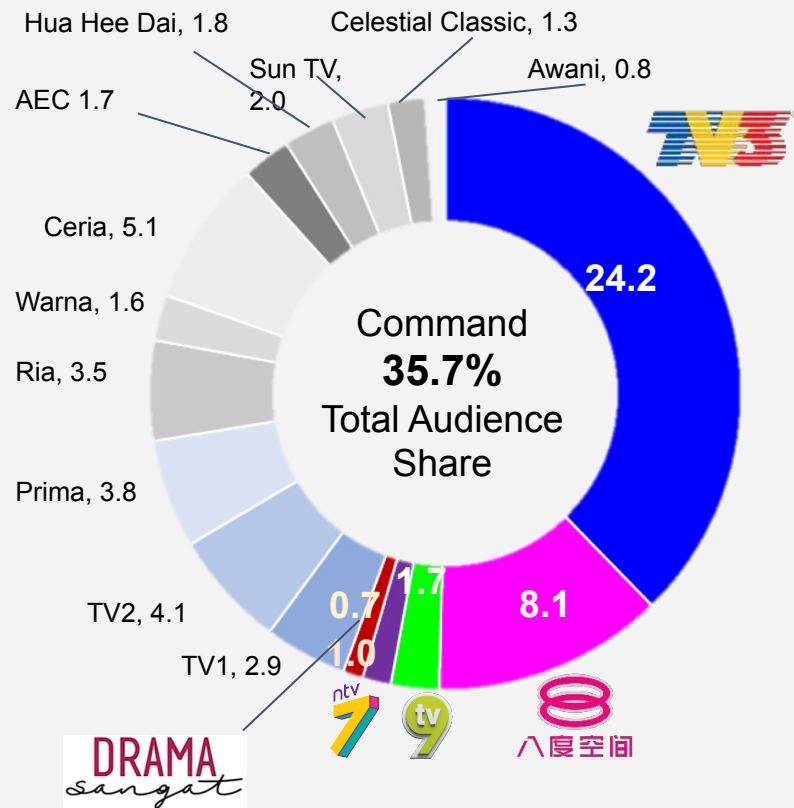
# Revenue and profit by segment - 4Q 2020

	Omnia	Broadcasting	OOH	Publishing	Digital Media	Content Creation	Home Shopping	Corporate	Elimination	Total
<b>Net Revenue</b>										
<b>Q4 2020</b>	172,141	101,838	25,115	42,685	29,516	13,308	77,929	6,003	(170,449)	298,086
<b>Q3 2020</b>	124,327	97,507	25,613	38,084	22,908	10,907	78,172	3,318	(132,071)	268,765
<b>Change (%)</b>	<b>38</b>	<b>4</b>	<b>(2)</b>	<b>12</b>	<b>29</b>	<b>22</b>	<b>-</b>	<b>81</b>	<b>29</b>	<b>11</b>
<b>PAT / (LAT)</b>										
<b>Q4 2020</b>	(6,019)	18,875	(5,610)	221	1,863	(605)	704	4,361	4,343	18,133
<b>Q3 2020</b>	(2,488)	26,138	(405)	(718)	3,253	(577)	3,230	(12,359)	(4,288)	11,786
<b>Change (%)</b>	<b>(&gt;100)</b>	<b>(28)</b>	<b>(&gt;100)</b>	<b>&gt;100</b>	<b>(43)</b>	<b>(5)</b>	<b>(78)</b>	<b>&gt;100</b>	<b>&gt;100</b>	<b>54</b>

Broadcasting, Publishing and Content Creation revenue consists of intersegment revenue from advertising inventory sold by Omnia



# Together, our four stations command 36% of Malaysia's TV audience in 2020

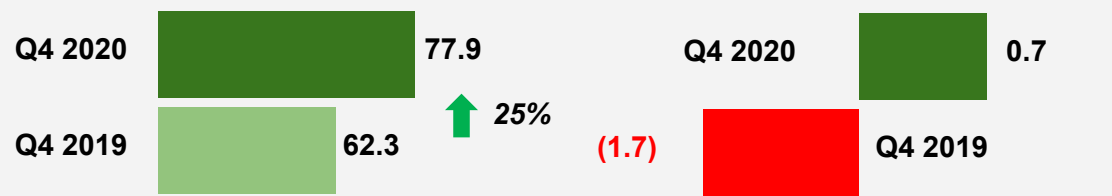
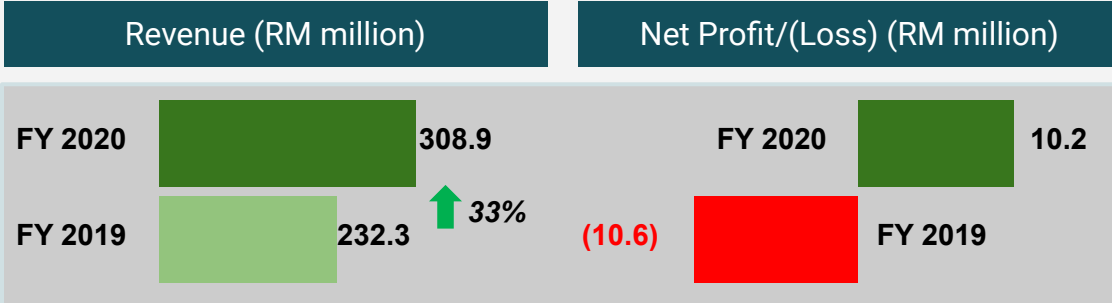


## Dominant position in Malaysia via TV3 and 8TV

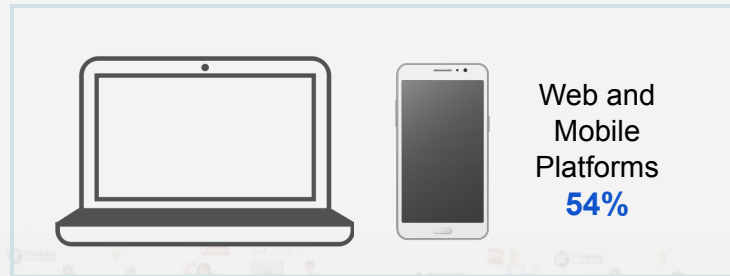
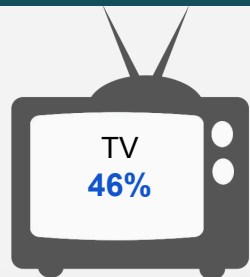
- TV3 dominates the Malay 4+ segment with a 37.9% audience share
- TV3 dominates prime time with 49% audience share
- TV3 has 27.9% share among Malay 4+ Astro subscribers audience
- 8TV reaffirmed itself as the No.1 Chinese station in Malaysia, dominating 38.5% of the Mass Chinese audience.
- Drama Sangat was the most-watched channel on MYTV

Source: Nielsen Audience Measurement (Total 4+, Malay 4+ and Chinese 4+ from January to December 2020)

# Exceptional growth for our commerce business



## Q4 2020 Sales Contribution



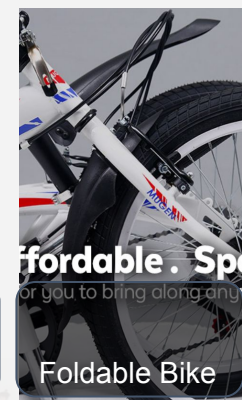
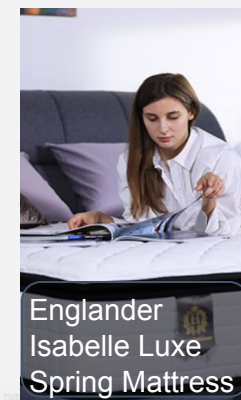
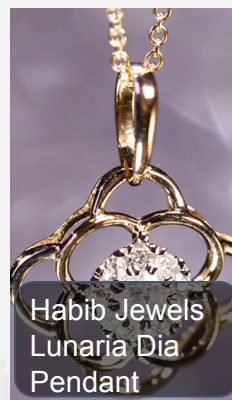
FY20 revenue increased by 33% compared to FY2019

Digital transformation to **ecommerce, mobile commerce (ECMC)** driven by a multi-platform strategy

Recorded **750,000 new customers** in 2020

**2.3 million registered customers** to date

## Top 3 Best Selling Items in Q4 2020



# Vernacular in-house content continues to drive viewership share



3.0 mill viewers



2.9 mill viewers



2.2 mill viewers



2.4 mill viewers



2.3 mill viewers



2.3 mill viewers



2.7 mill viewers



2.3 mill viewers

Source: Nielsen Audience Measurement (January to December 2020)





# Increasing advertiser content productions





# Collaborations with streaming providers - Media Prima content on iQIYI





Dramas available on WeTV library an hour after broadcast on TV3







## Ejen Ali The Movie

**Won Fitem MeleTOP** award at the Anugerah MeleTOP ERA on 20 December 2020.

The English dubbed version aired on TV3 on 25 December 2020 garnered 4.1 million views.

*Ejen Ali Misi: Juang* - A short-form animation launched on YouTube prior to *Ejen Ali The Movie* telecast on TV3 trended at #1 and achieved **1 million views in less than 24 hours**. The trending continued for 13 days.

YouTube channel: **2.58 million subscribers** to date.

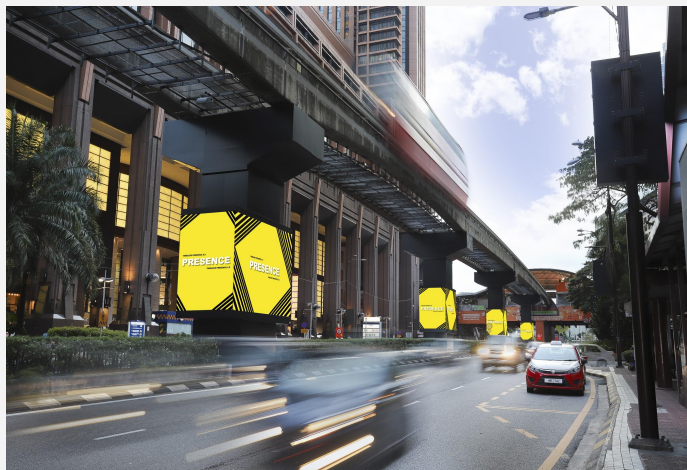
## Alif & Sofia

**Won Best Preschool Programme**, National Winner for Malaysia in the Asian Academy Creative Awards. Representing Malaysia at the Asian level.

YouTube channel: **270k subscribers** to date.

# Premierisation of key assets of our Out-of-Home business

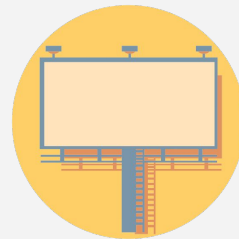
## New Site Cubic Series @ Times Square



## Upgrading KLCC Snorkel

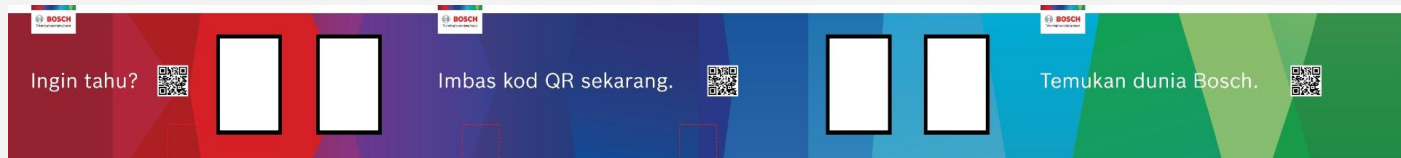


26 digital sites



88 digital screen units

## Big Scan LRT Masjid Jamek concourse



# RIPPLE's total reach

	Total (Jan - Dec 2020)
Weekly listeners*	>5.3 mil
Total Digital Listens**	>95.3 mil
Total Page Views***	>61.2 mil
Total Video Views****	>1.23 bil
Social Media Followers****	>12.7 mil

**No.1**

Growth in listenership for Breakfast Show amongst Chinese Stations (Age 10+)

**No.1**

Malay & English Radio Station in Malaysia on TikTok (Most Followed)

## RIPPLE™ Radio+

English

Malay

Gen X, Y & Z

Chinese

Malay

Source:

\*Gfk Radio Audience Measurement, Wave 2 2020

\*\* Combined data from Radioactive, Whooshkaa, YouTube

\*\*\*Google Analytics

\*\*\*\*Combined data from Facebook, Twitter, Instagram & YouTube

We are Malaysia's #1 choice in mobile content, with an extensive distribution network that reaches out to more than 15 million Malaysians a month

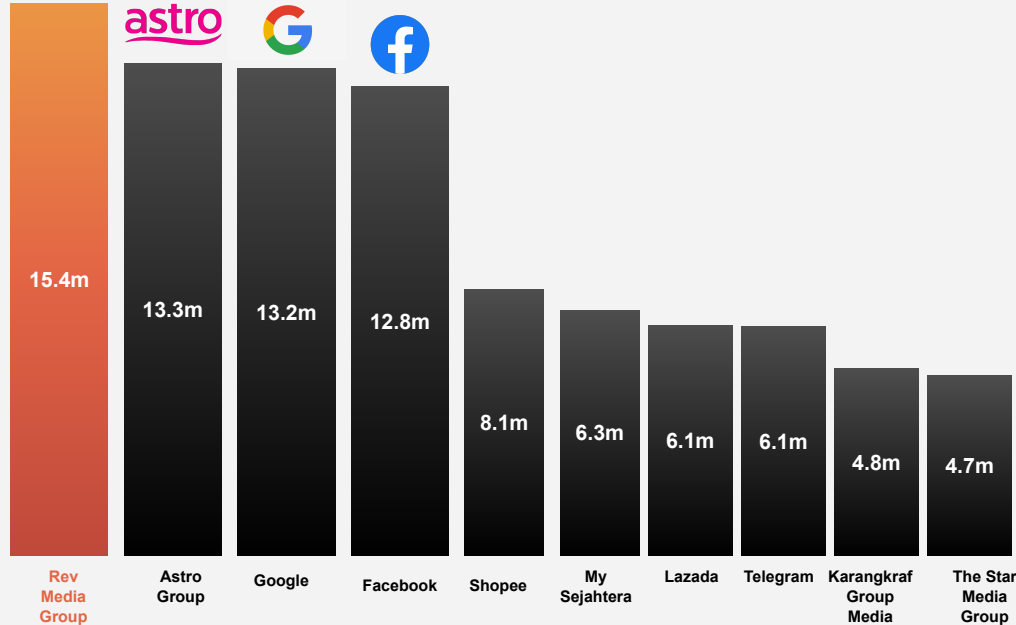
**15.4 M**

total monthly unique visitors on mobile in Malaysia

**83%**

Malaysians on mobile are reached monthly

**REV**  
MEDIA GROUP



**15.4 M**

Unique Malaysians on desktop & mobile

**12.6 M**

YouTube subscribers

**38.6 M**

Facebook followers



Massive audience - We represent all types of **Malaysians..**

## MALAY NETWORK



## NEWS NETWORK



## ENGLISH NETWORK



## CHINESE NETWORK



..across different digital platforms.

### MALAY NETWORK



**6.5 M**  
Unique Users



**17.5 M**  
Facebook Followers



**6.3 M**  
Instagram Followers



**10 M**  
YouTube Subscribers

### NEWS NETWORK



**10.2 M**  
Unique Users



**14 M**  
Facebook Followers



**2.7 M**  
Instagram Followers



**491 K**  
YouTube Subscribers

### ENGLISH NETWORK



**3.2 M**  
Unique Users



**2.5 M**  
Facebook Followers



**184 K**  
Instagram Followers



**370 K**  
YouTube Subscribers

### CHINESE NETWORK



**2.1 M**  
Unique Users



**3.1 M**  
Facebook Followers

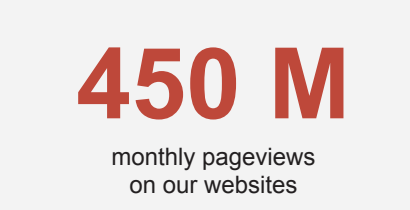


**424 K**  
Instagram Followers



**380 K**  
YouTube Subscribers

# Quality content on digital platforms that entertain, educate, & enrich our audience



Source: REV Media Group Audience Survey 2020, Facebook, YouTube, Google Analytics, 2020



- Continued to pursue esports initiatives such as IGN SEA's Squad Up, a PUBG mobile tournament hosted in partnership with YouTube Malaysia.
- Showcased a series of engaging activities involving deeper sponsored product activations such as the "McDonald's Brain Freeze Challenge" and the "Samsung Selfie Challenge".
- The tournament featured over 250 teams and reached a whopping 600,000 views on the video-sharing platform.



## Creating Positive, Lasting Change in Communities

- **PSAs** airtime allocated across our Broadcasting, Publishing and Digital platforms.
- Ejen Ali **Special Screening with 50 special children** with different level of disabilities (OKU).
- **Back to school programme** with MPB's adopted school, SK Cherating.
- In January, Hot FM joined EcoKnights, an NGO for a **log boom clean-up at Sungai Gombak**. The event collected 316.6kg of waste from the river.
- **Medical Outreach Programme** co organised with Institut Jantung Negara (IJN) and Langkawi Youth Power Club (LYPC) in Langkawi, Kedah.
- Big Tree sponsored the annual **MCKK 7s Rugby Tournament** in support of the sports development among the youth.
- **Bantuan Kemanusiaan COVID-19 fundraising campaign**, launched on 23 March 2020, appeals for public donations to help treating COVID-19 patients & assisting people whose lives have been affected by the virus. Over 20 Hospitals around Malaysia benefitted from this campaign.
- Our platforms actively reshared important postings from key government ministries and agencies during the MCO.
- Our digital brands actively generate awareness on Covid-19 - **SAYS' COVID-19 related awareness videos**, awareness content on Siraplimau and OhBulan.
- Mashable SEA: **Covers COVID-19 announcements in Malaysia & SEA**, generates awareness on mental health, work-life, practical tips, and culture features on embracing the new norm.
- MPB in partnership with Jabatan Hal Ehwal Veteran ATM launched the **Kempen Tabung Pahlawan 2020** in August.
- Big Tree's **OOH educational / awareness campaign - Ilustrasi Haiwan Malaysia** Campaign in November 2020.
- MPB, via MP-NSTP Humanitarian Fund, facilitated **donation appeals** for 15 individuals with heart disease and 1 individual with bone disease.
- **"Ejen Ali Misi: Juang"** short movie, produced by Primeworks and WAU Animation was launched on 25 December to honour the efforts and sacrifices made by the frontliners in the battle against COVID-19, featuring Tan Sri Dr. Noor Hisham Abdullah, Director General of Health as one of the characters.

## Content for All

- We participated in YouTube's Superstream in August /September 2020 to **stream TV3 Dramas and Comedies during Merdeka and Malaysia Day week**, as part of YouTube's campaign to get people to **celebrate the new norm by staying safe and entertained at home**.
- Encourage people to embrace the new norm by staying safe and entertained at home, **TV3's daily "Live Dari Rumah" shows** in March 2020, featuring our local artistes.

## Helping Customers

- During the MCO, WOWSHOP worked with the Ministry of Domestic Trade and Consumer Affairs to link with the SMEs and developed a DESAMALL on WOWSHOP's ECMC platform to **help SMEs reach out to WOWSHOP's large customer base** - Better opportunities presented to retailers who previously had less visibility or sales.
- #SupportLokal - Fly FM, Hot FM and Kool FM conducted this campaign for a month starting 27 April to support the local businesses and economic development by promoting their products. Business owners were only required to send their products/services details through the station's website. A total of 264 entries were received for the campaign and 91 businesses were promoted via on-air and the station's social media platforms.





# Commitment to responsible business practices, good corporate governance and care for the environment



A constituent company of the FTSE4Good Index Series, a benchmark and tradable indexes for ESG (Environmental, Social and Governance) investors.

Top 25% by ESG Ratings amongst PLCs assessed by FTSE Russell.





## Appendix



# Statement of Comprehensive Income

RM'000	FY 2020			FY 2019	Statutory change (%)
	Normalised	Exceptional	Statutory	Statutory	
<b>Gross revenue</b>	<b>1,190,552</b>	-	<b>1,190,552</b>	<b>1,271,418</b>	<b>(6)</b>
<b>Net revenue</b>	<b>1,041,565</b>	-	<b>1,041,565</b>	<b>1,106,039</b>	<b>(6)</b>
Royalties	964	-	964	(2,048)	>100
<b>Net revenue after royalties</b>	<b>1,042,529</b>	-	<b>1,042,529</b>	<b>1,103,991</b>	<b>(6)</b>
Direct costs	(425,558)	-	(425,558)	(438,887)	3
<b>Contribution</b>	<b>616,971</b>	-	<b>616,971</b>	<b>665,104</b>	<b>(7)</b>
Other income	17,249	-	17,249	15,371	12
Overheads	(505,348)	(13,678)	(519,026)	(679,811)	24
<b>EBITDA/(LBITDA)</b>	<b>128,872</b>	<b>(13,678)</b>	<b>115,194</b>	<b>664</b>	<b>&gt;100</b>
Impairment of non-current assets	-	-	-	(39,863)	>100
Finance income	6,704	-	6,704	7,697	(13)
Finance costs	(14,652)	-	(14,652)	(16,428)	11
Depreciation and amortisation	(112,882)	-	(112,882)	(125,200)	10
<b>Loss from operations</b>	<b>8,042</b>	<b>(13,678)</b>	<b>(5,636)</b>	<b>(173,130)</b>	<b>97</b>
Share of associate's results	(151)	-	(151)	129	(>100)
<b>LBT</b>	<b>7,891</b>	<b>(13,678)</b>	<b>(5,787)</b>	<b>(173,001)</b>	<b>97</b>
Taxation	(12,299)	-	(12,299)	(12,487)	2
<b>LAT</b>	<b>(4,408)</b>	<b>(13,678)</b>	<b>(18,086)</b>	<b>(185,488)</b>	<b>90</b>
Minority interests	(292)	-	(292)	7,638	(>100)
<b>LATAMI</b>	<b>(4,700)</b>	<b>(13,678)</b>	<b>(18,378)</b>	<b>(177,850)</b>	<b>90</b>
<b>EBITDA margin</b>	<b>12%</b>		<b>11%</b>	<b>0.1%</b>	
<b>LATAMI margin</b>	<b>(0%)</b>		<b>(2%)</b>	<b>(16%)</b>	

## Key Highlights

- 16% decline in net advertising revenue against FY 2019 following **weaker adex and the COVID-19 impact** to the economy.
- Decline in net advertising revenue was mitigated by a **23% growth in net commerce revenue** against FY 2019.
- Continuous cost saving initiatives are reflected in the **24% reduction in overheads** against FY 2019.

### Note:

- Exceptional item amounting to RM13.7m in FY2020 pertains to manpower rationalisation expenses.
- Included in FY 2019 overheads was manpower rationalisation expenses amounting to RM76.2m.

[www.mediaprima.com.my](http://www.mediaprima.com.my)

